



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-918]

Steel Wire Garment Hangers from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2015-2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Department) is conducting the eighth administrative review of the antidumping duty order on steel wire garment hangers from the People's Republic of China (PRC). The respondents in this review are Hangzhou Yingqing Material Co. Ltd. and Hangzhou Qingqing Mechanical Co. Ltd. (collectively, Yingqing) and Shanghai Wells Hanger Co., Ltd./Hong Kong Wells Ltd. (collectively, Shanghai Wells). The Department preliminarily finds that Shanghai Wells sold subject merchandise in the United States at prices below normal value during the period of review (POR), October 1, 2015, through September 30, 2016. In addition, we preliminarily determine Yingqing is not eligible for a separate rate, and therefore, we are treating it as part of the PRC-wide entity. If these preliminary results are adopted in our final results of review, we will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties on all appropriate entries of subject merchandise during the POR. We invite interested parties to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]

FOR FURTHER INFORMATION CONTACT: Jessica Weeks, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4877.

SUPPLEMENTARY INFORMATION:

Background

On October 3, 2016, the Department published a notice of “Opportunity to Request Administrative Review” of the antidumping order on steel wire garment hangers from the PRC.¹ In October 2016, the Department received two timely requests to conduct an administrative review of the antidumping duty order on steel wire garment hangers from the PRC.² Based upon these requests, on December 16, 2016, the Department published a notice of initiation of an administrative review (AR) of the *Order* covering the period October 1, 2015, to September 30, 2016.³ The Department initiated the administrative review with respect to 46 companies.⁴ On December 22, 2016, M&B Metal Products Co., Inc. (the petitioner) withdrew its request for an administrative review on 42 companies.⁵ On December 29, 2016, the Department issued a memo stating it would issue questionnaires to Yingqing⁶ and Shanghai Wells.⁷

¹ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 81 FR 67968 (October 3, 2016).

² See *Notice of Antidumping Duty Order: Steel Wire Garment Hangers from the People’s Republic of China*, 73 FR 58111 (October 6, 2008) (*Order*).

³ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 81 FR 9112 (December 16, 2016).

⁴ *Id.*

⁵ See Letter to the Secretary of Commerce from the Petitioner “Eighth Administrative Review of Steel Wire Garment Hangers from China - Petitioner’s Withdrawal of Review Request” (December 22, 2016).

⁶ Hangzhou Yingqing Material Co., Ltd. and Hangzhou Qingqing Mechanical Co., Ltd. are currently assigned an exporter/manufacturer combination rate. See *Steel Wire Garment Hangers from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review and New Shipper Review, 2011 – 2012*, 79 FR 31298, 31300 (June 2, 2014).

⁷ In the first administrative review of the *Order*, the Department found that Shanghai Wells Hanger Co., Ltd. and Hong Kong Wells Ltd. are a single entity and, because there were no changes to the facts that supported that decision since that determination was made, we continue to find that these companies are part of a single entity for this administrative review. See *Steel Wire Garment Hangers from the People’s Republic of China: Preliminary Results and Preliminary Rescission, in Part, of the First Antidumping Duty Administrative Review*, 75 FR 68758, 68761 (November 9, 2010), unchanged in *First Administrative Review of Steel Wire Garment Hangers from the People’s Republic of China: Final Results and Final Partial Rescission of Antidumping Duty Administrative*

Scope of the Order

The merchandise subject to the *Order* is steel wire garment hangers. The products are currently classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 7326.20.0020, 7323.99.9060, and 7323.99.9080. Although the HTSUS subheadings are provided for convenience and customs purposes, the written product description of the scope of the order remains dispositive.⁸

Separate Rates

The Department preliminarily determines that information placed on the record by Shanghai Wells demonstrates that this entity is entitled to separate rate status.⁹ For additional information, *see* the Preliminary Decision Memorandum.

PRC-Wide Entity

Section 776(a)(2) of Tariff Act of 1930, as amended (the Act) provides that if an interested party withholds information requested by the Department, fails to provide information by the deadline or in the form or manner requested, or significantly impedes a proceeding, the Department shall use, subject to section 782(d) of the Act, facts otherwise available in reaching the applicable determination. Moreover, section 776(b) of the Act provides that the Department may use an adverse inference when applying facts otherwise available if the party failed to cooperate by not acting to the best of its ability to comply with a request for information. Yingqing failed to submit a response to the Department's questionnaire and, therefore, did not

Review, 76 FR 27994, 27996 (May 13, 2011); *see also Steel Wire Garment Hangers from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 2013-2014, 80 FR 69942 (November 2, 2015).

⁸ *See* Memorandum regarding "Decision Memorandum for the Preliminary Results of the Antidumping Duty Administrative Review of Steel Wire Garment Hangers from the People's Republic of China; 2015-2016," dated concurrently with and hereby adopted by this notice, (Preliminary Decision Memorandum) for a complete description of the scope of the *Order*.

⁹ *See* Shanghai Wells' Section A questionnaire response, dated January 26, 2017 at pages 1-9.

act to the best of its ability to comply with the Department's request for information.¹⁰

Therefore, as adverse facts available, Yingqing is not eligible for a separate rate and is a part of the PRC-wide entity. The dumping margin in effect for the PRC-wide entity is 187.25 percent, which is the highest dumping margin on the record of any segment of the proceeding.¹¹

The Department's policy regarding conditional review of the PRC-wide entity applies to this administrative review.¹² Under this policy, the PRC-wide entity will not be under review unless a party specifically requests, or the Department self-initiates, a review of the entity. Because no party requested a review of the PRC-wide entity in this review, the entity is not under review and the entity's rate is not subject to change, (*i.e.*, 187.25 percent).¹³

Methodology

The Department is conducting this review in accordance with section 751(a)(1)(B) of the Act. The Department calculated constructed export prices and export prices in accordance with section 772 of the Act. Because the PRC is a nonmarket economy (NME) within the meaning of section 771(18) of the Act, normal value is calculated in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. A list of the topics included in the Preliminary Decision Memorandum is included as an appendix to this notice. The Preliminary Decision Memorandum is a public

¹⁰ See Memorandum to the file, "Eighth Administrative Review of Steel Wire Garment Hangers from the People's Republic of China: Hangzhou Yingqing Material Co. Ltd. FedEx Delivery," (January 27, 2017).

¹¹ See *Steel Wire Garment Hangers from the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value*, 73 FR 53188, (September 15, 2008), and accompanying Issues and Decision Memorandum; see also *Steel Wire Garment Hangers from the People's Republic of China: Final Results of Antidumping Duty Administrative Review, 2012-2013*, 80 FR 13332, (March 13, 2015), and accompanying Issues and Decision Memorandum.

¹² See *Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963 (November 4, 2013).

¹³ See *Steel Wire Garment Hangers from the People's Republic of China: Final Results of Antidumping Duty Administrative Review, 2012-2013*, 80 FR 13332, (March 13, 2015), and accompanying Issues and Decision Memorandum; see also Preliminary Decision Memorandum.

document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov> and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum is available at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Results of Review

The Department preliminarily determines that the following weighted-average dumping margin exists for the POR from October 1, 2015, through September 30, 2016:

Exporter	Weighted-Average Dumping Margin (percent)
Shanghai Wells Hanger Co., Ltd./Hong Kong Wells Ltd. ¹⁴	5.02

Disclosure and Public Comment

The Department intends to disclose the calculations used in our analysis to parties in this review within five days of the date of any public announcement of this notice in accordance with 19 CFR 351.224(b).

Interested parties may submit case briefs within 30 days after the date of publication of these preliminary results of review in the *Federal Register*.¹⁵ Rebuttals to case briefs, which must be limited to issues raised in the case briefs, must be filed within five days after the time limit for filing case briefs.¹⁶ Parties who submit arguments are requested to submit with the

¹⁴ As previously stated, we continue to find Shanghai Wells Hanger Co., Ltd. and Hong Kong Wells Ltd. (collectively Shanghai Wells) to be a single entity.

¹⁵ See 19 CFR 351.309(c)(1)(ii).

¹⁶ See 19 CFR 351.309(d)(1)-(2).

argument: (a) a statement of the issue (b) a brief summary of the argument, and (c) a table of authorities.¹⁷ Parties submitting briefs should do so pursuant to the Department's electronic filing system, ACCESS.¹⁸

Any interested party may request a hearing within 30 days of publication of this notice.¹⁹ Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs.²⁰ Parties requesting a hearing should do so pursuant to the Department's electronic filing system, ACCESS.²¹ If a party requests a hearing, the Department will inform parties of the scheduled date for the hearing which will be held at the U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, at a time and location to be determined.²²

Unless otherwise extended, the Department intends to issue the final results of this administrative review, which will include the results of our analysis of all issues raised in parties' case briefs, within 120 days of publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b), the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review. The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review.

¹⁷ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁸ See 19 CFR 351.303 (for general filing requirements).

¹⁹ See 19 CFR 351.310(c).

²⁰ *Id.*

²¹ See 19 CFR 351.303 (for general filing requirements).

²² See 19 CFR 351.310(d).

For any individually examined respondent whose weighted-average dumping margin is above the *de minimis* threshold (*i.e.*, 0.50 percent), the Department will calculate importer-specific *ad valorem* assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales and the total entered value of sales. Where either the respondent's weighted-average dumping margin is zero or *de minimis*, or an importer-specific *ad valorem* assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

In these preliminary results, the Department applied the assessment rate calculation method adopted in *Final Modification for Reviews*, *i.e.*, on the basis of monthly average-to-average comparisons using only the transactions associated with that importer with offsets being provided for non-dumped comparisons.²³

Pursuant to a refinement in the Department's NME practice, for sales that were not reported in the U.S. sales data submitted by companies individually examined during this review, the Department will instruct CBP to liquidate entries associated with those sales at the rate for the PRC-wide entity. In addition, if the Department determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's cash deposit rate) will be liquidated at the rate for the PRC-wide entity.²⁴

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise from the PRC

²³ See *Antidumping Proceeding: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings; Final Modification*, 77 FR 8101, 8103 (February 14, 2012) (*Final Modification for Reviews*).

²⁴ For a full discussion of this practice, see *Assessment Practice Refinement*, 76 FR at 65694 (October 24, 2011).

entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) For the company listed above, the cash deposit rate will be established in the final results of this review (except, if the rate is zero or *de minimis*, then zero cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recently completed segment of this proceeding in which they were reviewed; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be equal to the weighted-average dumping margin for the PRC-wide entity (*i.e.*, 187.25 percent); and (4) for all non-PRC exporters of subject merchandise which have not received their own separate rate, the cash deposit rate will be the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

This administrative review and notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4) and 19 CFR 351.213.

Dated: August 2, 2017.

Carole Showers
Executive Director, Office of Policy,
performing the duties of
Deputy Assistant Secretary for Enforcement and Compliance

Attachment

List of Topics Discussed in the Preliminary Decision Memorandum:

1. Summary
2. Background
3. Scope of the Order
4. Discussion of the Methodology
 - a. NME Country Status
 - b. Separate Rates
 - c. Separate Rates Recipients- Wholly Foreign Owned
 - d. Surrogate Country and Surrogate Value Data
 - e. Surrogate Country
 - f. Date of Sale
 - g. Comparisons to Normal Value
 - h. Results of Differential Pricing Analysis
 - i. U.S. Price
 - j. Value-Added Tax
 - k. Normal Value
 - l. Factor Valuation Methodology
 - m. Currency Conversion
5. Conclusion

[FR Doc. 2017-16687 Filed: 8/8/2017 8:45 am; Publication Date: 8/9/2017]